UNITED STATES DEPARTMENT OF AGRICULTURE • FARMER COOPERATIVE SERVICE

REGIONAL COOPERATIVES

Handling Under $10 Million of Supplies, 1960-61

By

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GENERAL REPORT 115 • AUGUST 1963

FARMER COOPERATIVE SERVICE
U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON 25, D.C.

Joseph G. Knapp, Administrator

The Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

The Service publishes the results of such studies; confers and advises with officials of farmer cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

Appreciation is expressed to Ella S. Wells, Statistical Unit, and Evelyn L. Garrett, History and Statistics Branch, for their assistance in the preparation of this report.

Contents

Highlights

Since regional cooperatives covered in this report are those doing a supply business that ranges between $100,000 and $10 million a year individually, they are important in manufacturing and distributing farm production supplies in the United States.

These regionals include centralized associations directly serving farmers over a regional area; federated cooperatives providing wholesaling and manufacturing services to local cooperatives; and combinations of these types.

One of the purposes of the study is to show the number and type of these regional cooperatives, their membership, volume of supplies handled, services provided, financial position, and organizational characteristics. Another purpose is to indicate changes occurring in the number and volume of such cooperatives since 1950-51.

Annual surveys of all farmer cooperatives by the History and Statistics Branch of Farmer Cooperative Service furnished data for the study.

Regional Cooperatives in 1960-61

In 1960-61, 135 regional associations had supply sales between $100,000 and $10 million, with a total supply business of about $232 million. The oldest of these associations, a marketing regional with a supply department, was organized in 1901. Almost half of these regionals were organized since 1934, with the peak period in 1945-49 when 21 were organized.

Fifty-one of these regionals had farm supply sales exceeding those of farm products in 1960-61. Another 84 regionals had larger marketing business than farm supply business.

Fifty-eight of the 135 regionals handled supplies on a wholesale basis only, 53 handled them on a retail basis only, and 24 performed both wholesale and retail operations.

Fifty-six percent of these associations reported a supply volume of between $100,000 and $1 million in 1960-61. About three-fourths of the predominantly marketing and one-fourth of the farm supply regionals were in this size group. None of the marketing regionals handled $5 million of supplies or over, while 11 of the farm supply regionals were in this classification--with 4 in the $9 million up to $10 million group.

In 1960-61 the 135 regionals had 220,996 individuals and 4,090 associations as members. Of the individuals, 97,330 were members of the farm supply regionals and 123,666 were members of the marketing regionals. Of the member associations, 2,469 were affiliated with the supply regionals and 1,621 with the marketing regionals. These regionals served about 283,000 individuals and 4,350 associations as patrons.

Bylaws of 112 of the 135 regionals provided for one vote per member, 13 provided for one vote per share of stock, 8 provided voting on the basis of patronage, and 2 had other methods.

Fifty of the regionals reported receipts from services totaling $17 million. Storage and trucking were the principal types of services.

Feed was the most important supply item handled and accounted for almost 31 percent of the regional supply sales. Petroleum products were second in importance, accounting for almost 17 percent; and fertilizer was a close third, accounting for 16 percent of the total.

The wholesale value of all supplies handled by the 135 associations amounted to $150

million and represented 65 percent of their total supply volume. The proportion of the total sold at wholesale and retail varied substantially for the two types of regionals.

These regionals tended to specialize in a few major types of farm supplies. Thirty-six percent of the associations reported handling only one and 24 percent handled only two major supply items. Slightly more than 10 percent handled as many as five of the major supply items.

The 51 regional farm supply associations had assets of almost $90 million and a net worth or members' equities of $47 million, equal to 52 percent of the assets. Assets of the 84 marketing regionals amounted to $322 million. Their net worth was $155 million--equal to 48 percent of their total assets.

Changes in Regionals: 1950-51 to 1960-61

In 1950-51, 118 regionals handled between $100,000 and $5 million of farm supplies--the volume range used for the first study of this type. Seventy-six of these had moved up into a range of $100,000 up to $10 million in 1960-61. During this period, therefore, 42 regionals were removed and 59 were added to this classification of $100,000 up to $10 million to make a total of 135 associations in 1960-61.

The combined supply volume of the 76 regionals in both studies increased from $112 million in 1950-51 to $152 million in 1960-61, or 35 percent. Their wholesale volume increased 54 percent and retail volume 13 percent.

Wide variation occurred in the increases among supply items. Petroleum products increased almost 83 percent; containers and packaging supplies, 52 percent; feed, 39 percent; and miscellaneous supplies, 38 percent. However, sales of fertilizer increased less than 2 percent.

Percentages sold at retail and wholesale also varied significantly between 1950-51 and 1960-61 for some supply items.

Retail sales of farm machinery and equipment increased from 64 percent to 79 percent of total sales of this commodity, and retail sales of petroleum products increased from 12 percent to 22 percent.

The proportion of fertilizer, seed, and miscellaneous supplies, sold at wholesale increased substantially. Proportions of feed sold at wholesale and retail were about the same in both years.

Regional Cooperatives Handling Under $10 Million of Supplies, 1960-61

by J. Warren Mather [1] and Anne L. Gessner [2]

Farmers organize cooperatives to directly provide supplies on a local community or countywide basis and on a regional or area basis. Local retail cooperatives organize regional associations to wholesale or manufacture supplies their farmers need. Cooperatives of either type may be specialized supply associations or marketing cooperatives with supply departments.

A large group of these regionals do a supply business of between $100,000 and $10 million a year and are thus important in manufacturing and distributing farm production supplies in the United States. Available data indicate that 135 of these associations did an annual supply business totaling about $232 million in their fiscal years ending between July 1, 1960, and June 30, 1961.

The purpose of the study is to show the number, membership, type and volume of supplies handled, services provided, financial position, and organizational characteristics of these regional cooperatives. Another objective is to determine changes that have occurred in the number and volume of such cooperatives since 1950-51.

Data for the study were obtained from annual surveys of all farmer cooperatives the History and Statistics Branch of Farmer Cooperative Service has made.

An earlier study indicated that 118 regional cooperatives doing an annual supply business of between $100,000 and $5 million had a combined supply volume of about $163 million in their 1950-51 fiscal years.[3]

About 35 other regional cooperatives each did more than $10 million of supply business in 1960-61.[4] In addition, about a dozen national or area federations of regionals purchase or manufacture supplies for their member regional cooperatives.

This is a study of regional cooperatives with supply volumes under $10 million. Those in the 1950-51 study had under $5 million volume.

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[1] Chief, Farm Supplies Branch, Purchasing Division.

[2] Chief, History and Statistics Branch, Management Services Division.

[3] Abrahamsen, Martin A., and Gessner, Anne L. Operations of Regional Cooperatives Doing Less Than $5 Million Supply Business, 1950-51. Farm Credit Administration Misc. Rpt. 171.

[4] Mather, J. W. Handbook on Major Regional Cooperatives Handling Farm Production Supplies, 1960 and 1961, Gen. Rpt. 106, Farmer Cooperative Service, U.S. Dept. of Agr. Dec. 1962.

Definition of Terms Used

Regional cooperatives as used in this report consist of three types:

1. Centralized cooperatives that directly serve farmers on a retail basis throughout a region covering more than a county and parts of adjoining counties (figure 1). They usually serve more than four or five counties and sometimes as much as a State or parts of several States.

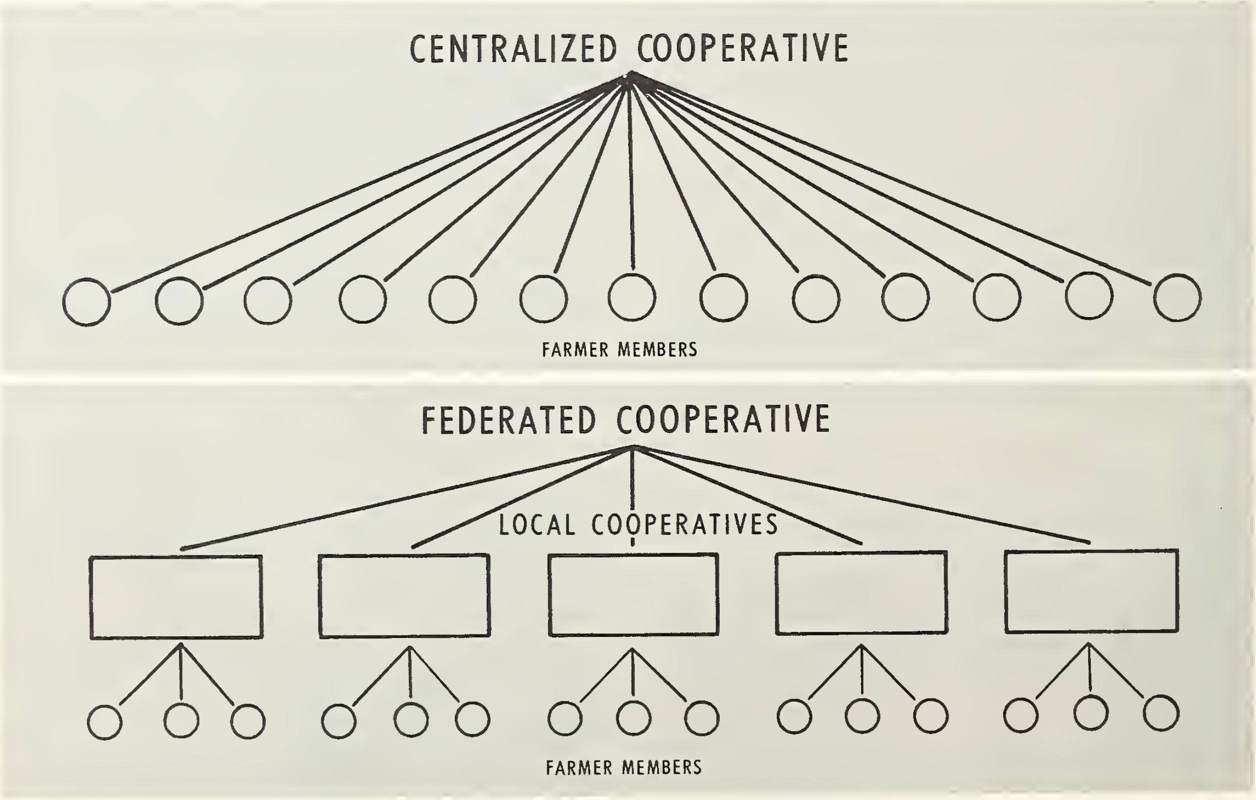
2. Federated cooperatives that directly serve local cooperatives on a wholesale or manufacturing basis, with no requirement as to volume or area served (figure 1).

3. Combination centralized and federated cooperatives. These have both local associations and individual farmers as members and perform both wholesale and retail services.

A few small district or subwholesale types of cooperatives that obtain supplies through major regionals and a few associations owned by local cooperatives that retail liquid petroleum fuels or liquefied petroleum gas directly to individual patrons of the local are excluded.

Thus, the definition of a centralized regional cooperative is based on the region or area served and that for the federated cooperative is based on the ownership and function performed.

Fig.1 Structures of regional cooperatives



Volume usually is not a criterion in classifying cooperatives as regionals as many local and county cooperatives handle larger supply volumes than do some regionals. However, this study included only those regionals that handled more than $100,000 and under $10 million of supplies in 1960-61.

Farm supplies as used in this report is an inclusive term that covers all types of farm production supplies and general farm equipment.

A farmer cooperative is defined as a business enterprise primarily owned and controlled by the agricultural producers that it serves; does more than one-half its business with members; and provides for one vote per member or for a limit on its dividends on capital stock of 8 percent a year or the legal rate in the State, whichever is higher.

This is the definition used in the Capper-Volstead Act and is broader than that found in the agricultural cooperative acts of many States. Most cooperatives handling farm supplies annually declare to member-patrons or to all patrons patronage refunds from net margins remaining after provision for expenses, dividends on stock, and necessary reserves.

Farm supply cooperatives are defined as those whose farm production supply business constitutes 50 percent or more of their total annual dollar volume.

Marketing cooperatives are those whose sales of farm products comprise 50 percent or more of their total annual dollar volume.

Regional Associations Operating in 1960-61

This section discusses the development, number, location, types, and sizes of regional associations; number and types of members and patrons; types, volumes, and combinations of supplies handled; farm products marketed; other services provided; and financial position of the regionals.

Development

Farm production supply cooperatives have developed in many different ways. Some of the factors accounting for the number of these cooperatives were:

1. General farm organizations, such as State Farm Bureaus, Farmers Unions, and Granges and the Missouri Farmers Association, formed a number of wholesale cooperatives on a statewide basis. They are located in California, Washington, Oregon, Illinois, Michigan, Wisconsin, Iowa, Nebraska, Massachusetts, Missouri, and Arkansas.

In some of these States, general farm organizations set up specialized cooperatives, in addition to general supply associations, to handle petroleum, seed, and serums. In contrast, the major or largest regional cooperatives usually handle these items, as well as many others, through departments.

2. Local cooperatives in small areas formed regional associations to perform specialized services. Examples are the fertilizer cooperatives in Florida, cotton planting seed associations in Texas and California, and the container purchasing or manufacturing associations in Florida and Washington.

3. Several local diversified associations have expanded until they now directly serve farmers over a wide area or region. Examples are the poultry associations handling feed and eggs in California, Oregon, and Utah.

Marketing regionals added farm supplies primarily to provide specialized production items used by their farmer-members or their

local member associations. For example, dairy cooperatives retail feed and other dairy supplies over a regional area, and regional cotton and grain associations process and sell meal or feed to their local member cooperatives.

Many other local cooperatives, both marketing and farm supply, preferred to establish small wholesale cooperatives rather than join existing large regionals in their areas in order to get specialized or more convenient services, or to have more control in the association.

The oldest regional farm supply cooperative in this study was Hayward Poultry Producers Association, Hayward, Calif.--organized in 1908 and incorporated in 1910. The oldest marketing regional was the California Fruit Exchange, Sacramento--organized in 1901.

A considerable number of the 135 regionals were organized in the various 5-year periods, from 1915 to 1949, inclusive (table 1). Of the farm supply group, 56 percent were organized after 1934, with the peak period 1935-39. Forty percent of the marketing regionals were organized after 1934. Their peak period was 1945-49, with 1930-34 a close second.

Many of the newer associations were located in the South where cooperative purchasing of farm supplies had not developed as early as in other sections of the country.

Table 1. --Regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61, organized in specified periods, by types of cooperatives

Period of organization	Number and percent of cooperatives, by type					
	Farm Supply		Marketing		Total	
	Number reporting	Percent of total	Number reporting	Percent of total	Number reporting	Percent of total
Before 1910	1	2	8	10	9	7
1910 to 1914	1	2	4	5	5	3
1915 to 1919	7	14	7	8	14	10
1920 to 1924	5	10	11	13	16	12
1925 to 1929	4	8	7	8	11	8
1930 to 1934	4	8	13	16	17	13
1935 to 1939	13	25	6	7	19	14
1940 to 1944	7	14	10	12	17	13
1945 to 1949	6	11	15	18	21	15
1950 to 1954	2	4	1	1	3	2
1955 to 1959	1	2	1	1	2	2
After 1959	--	--	1	1	1	1
Total	51	100	84	100	135	100

Number and Location

In 1960-61, a total of 135 regional cooperatives had supply sales ranging from $100,000 up to $10 million. Of this number, 51 were predominantly farm supply associations and 84 were marketing associations. The locations of the headquarters of the supply cooperatives are shown in figure 2 and those for the marketing associations in figure 3. The names and locations of the two groups are contained in the appendix. These two groups of associations also were classified as to wholesaling and retailing services. The location of those performing each function is shown in figures 4 and 5.

The number and percent of associations are shown by geographic areas in table 2. Twentypercent of these associations were located in the West North Central area. The West South Central and Pacific areas accounted for 15 percent and 14 percent, respectively, of the total.

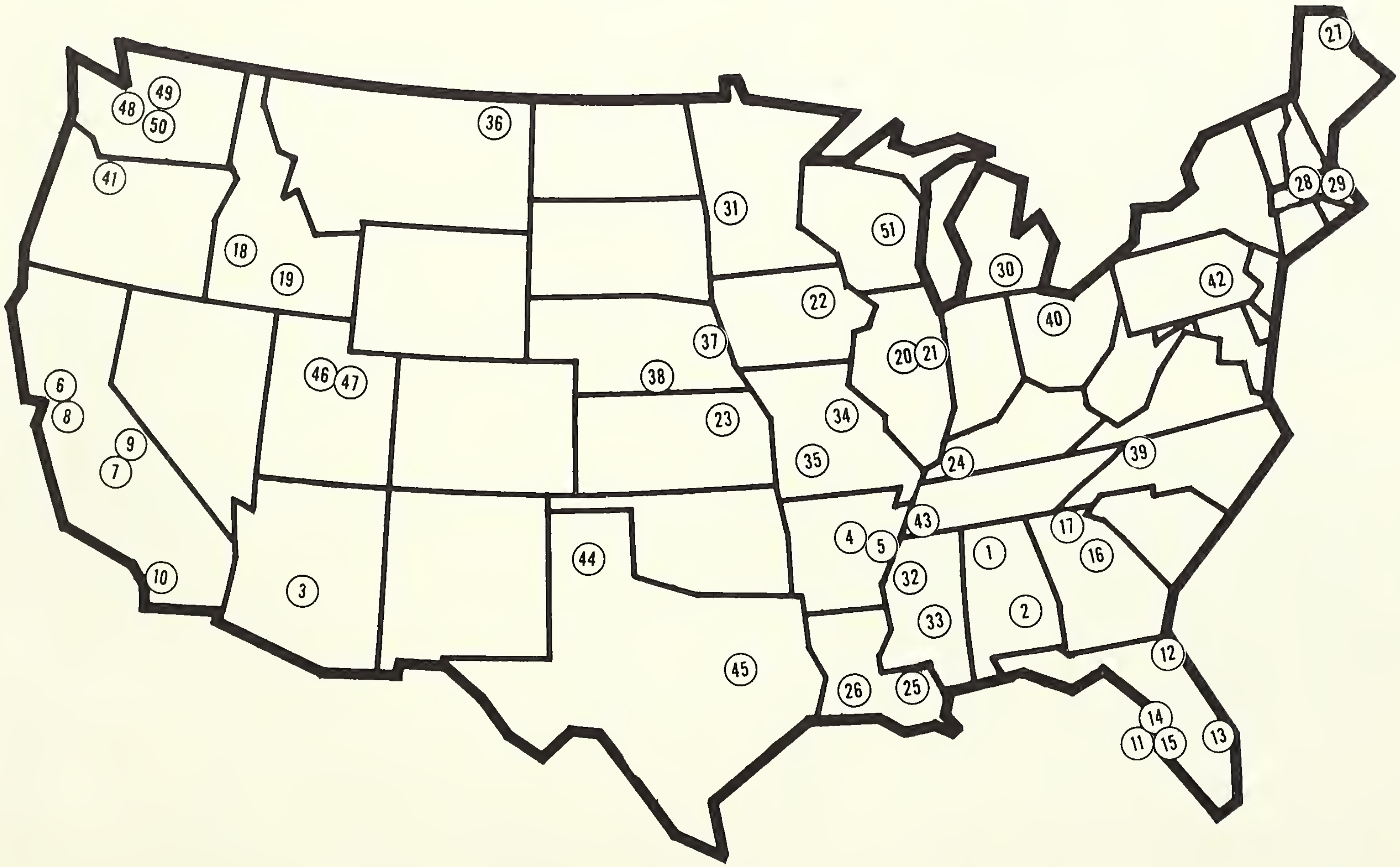
The highest percentage of the farm supply associations was located in the Pacific area, which accounted for 18 percent of their total. The West North Central area, with 24 percent, accounted for the highest percentage of the marketing associations.

States having more than two of these farm supply regionals were as follows: California, five; Florida, five; and Washington, three. Twelve States each had 2 regionals and 14 States each had one regional. Those with more than two of these marketing associations were: Iowa, seven; Texas and Kansas, five each; Oregon and Oklahoma, four each; and Arkansas, Minnesota, Colorado, Missouri, California, Ohio, Idaho, and Washington, three each. Ten States each had 2 and 12 States each had one marketing regional.

Table 2. --Geographic distribution of regional cooperatives handling from $100, 000 up to $10 million of supply business in 1960-61

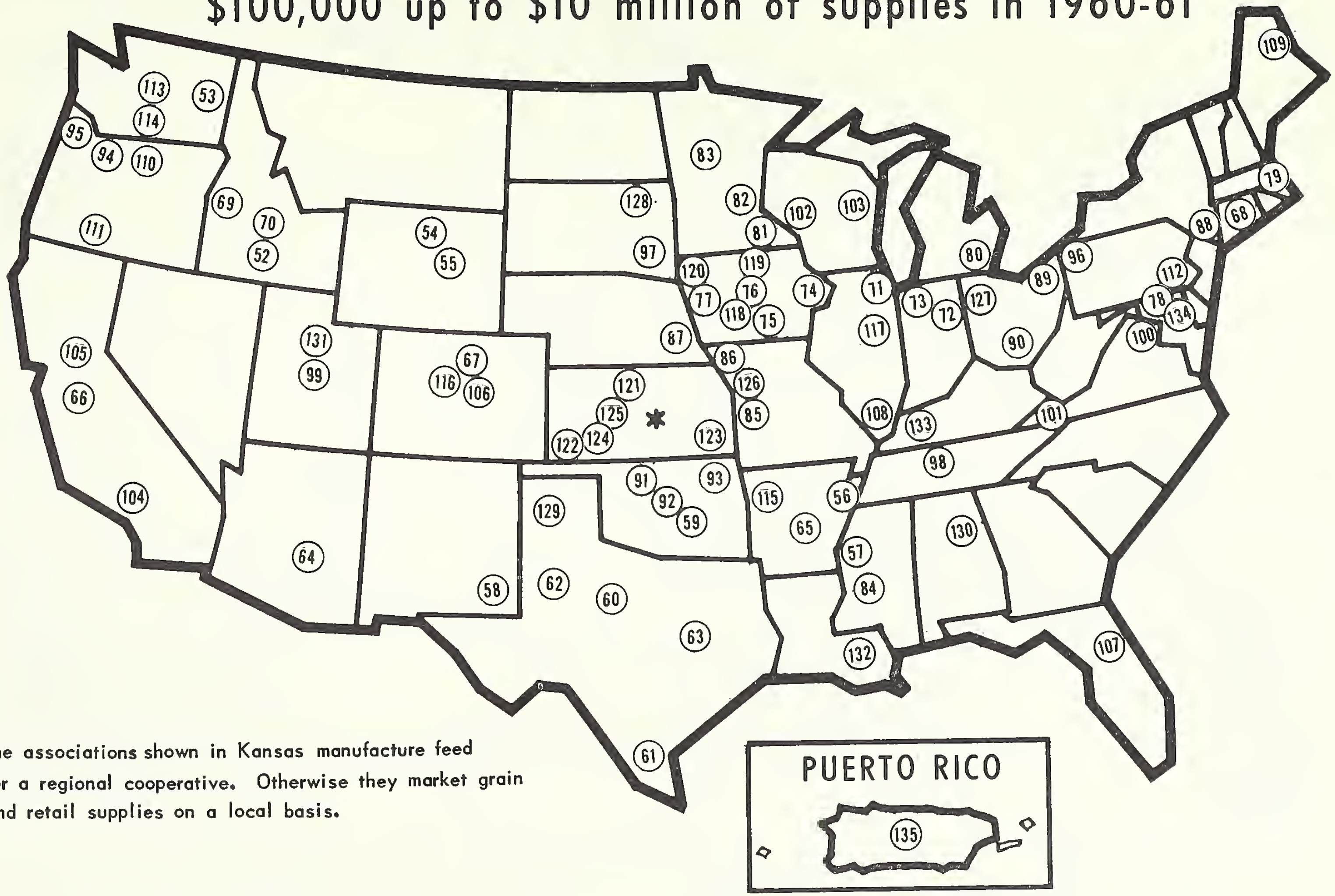
Geographic area	Number and percent of associations, by type					
	Farm supply		Marketing		Total	
	Number reporting	Percent of total	Number reporting	Percent of total	Number reporting	Percent of total
New England	3	5	3	4	6	4
Middle Atlantic	1	2	3	4	4	3
South Atlantic	8	16	6	7	14	11
East North Central	5	10	11	13	16	12
West North Central	7	13	20	24	27	20
East South Central	6	12	5	6	11	8
West South Central	6	12	14	16	20	15
Mountain	6	12	12	14	18	13
Pacific	9	18	10	12	19	14
Total	51	100	84	100	135	100

Fig. 2 Location of 51 regional farm supply cooperatives handling from $100,000 up to $10 million of supplies in 1960-61



NOTE: SEE APPENDIX FOR NAMES AND ADDRESSES OF COOPERATIVES TO CORRESPOND WITH NUMBERS ON MAP.

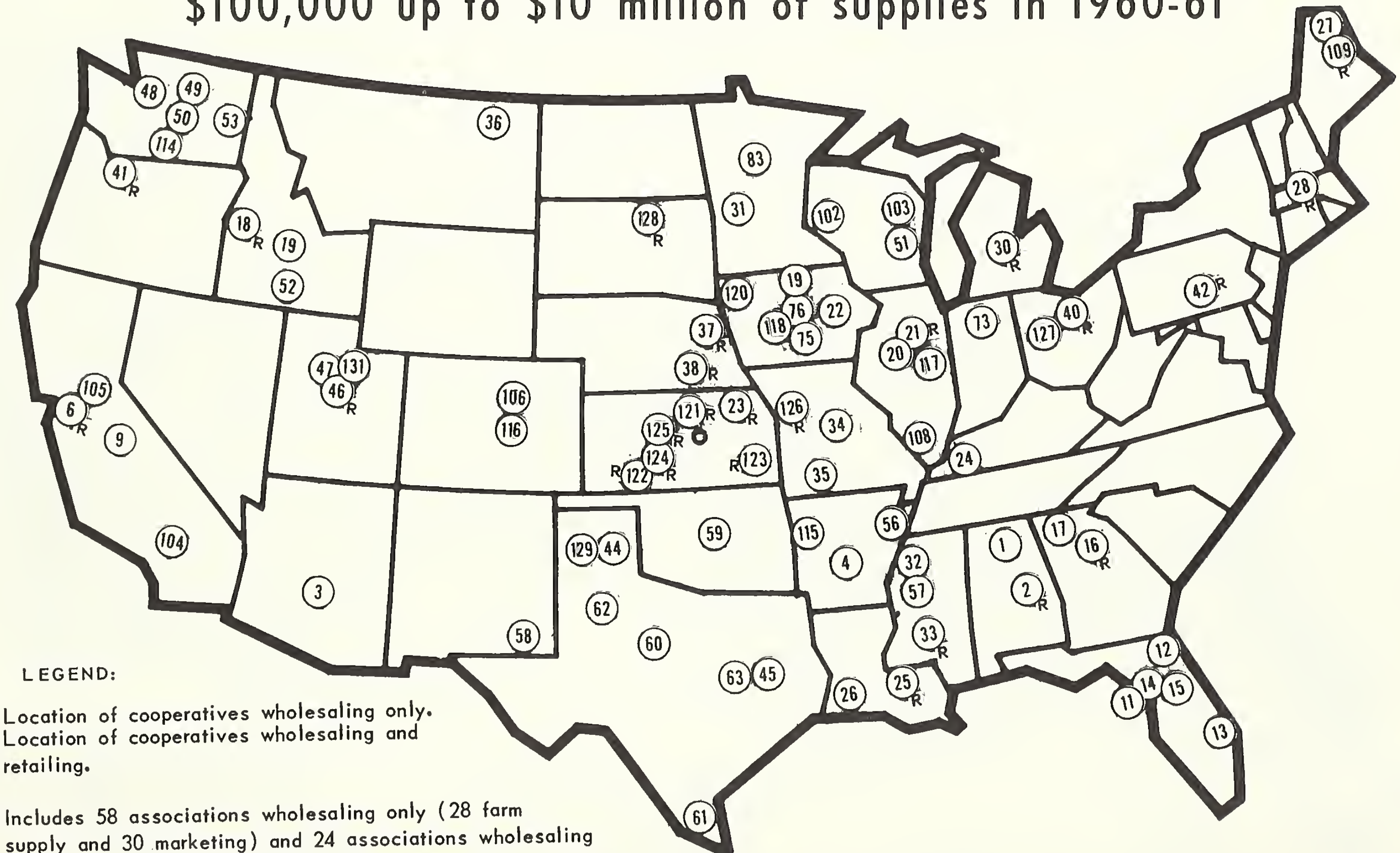
Fig.3 Location of 84 regional marketing cooperatives handling from $100,000 up to $10 million of supplies in 1960-61



* The associations shown in Kansas manufacture feed for a regional cooperative. Otherwise they market grain and retail supplies on a local basis.

NOTE: SEE APPENDIX FOR NAMES AND ADDRESSES OF COOPERATIVES TO CORRESPOND WITH NUMBERS ON MAP.

Fig. 4 Location of regional cooperatives wholesaling from $100,000 up to $10 million of supplies in 1960-61*



LEGEND:

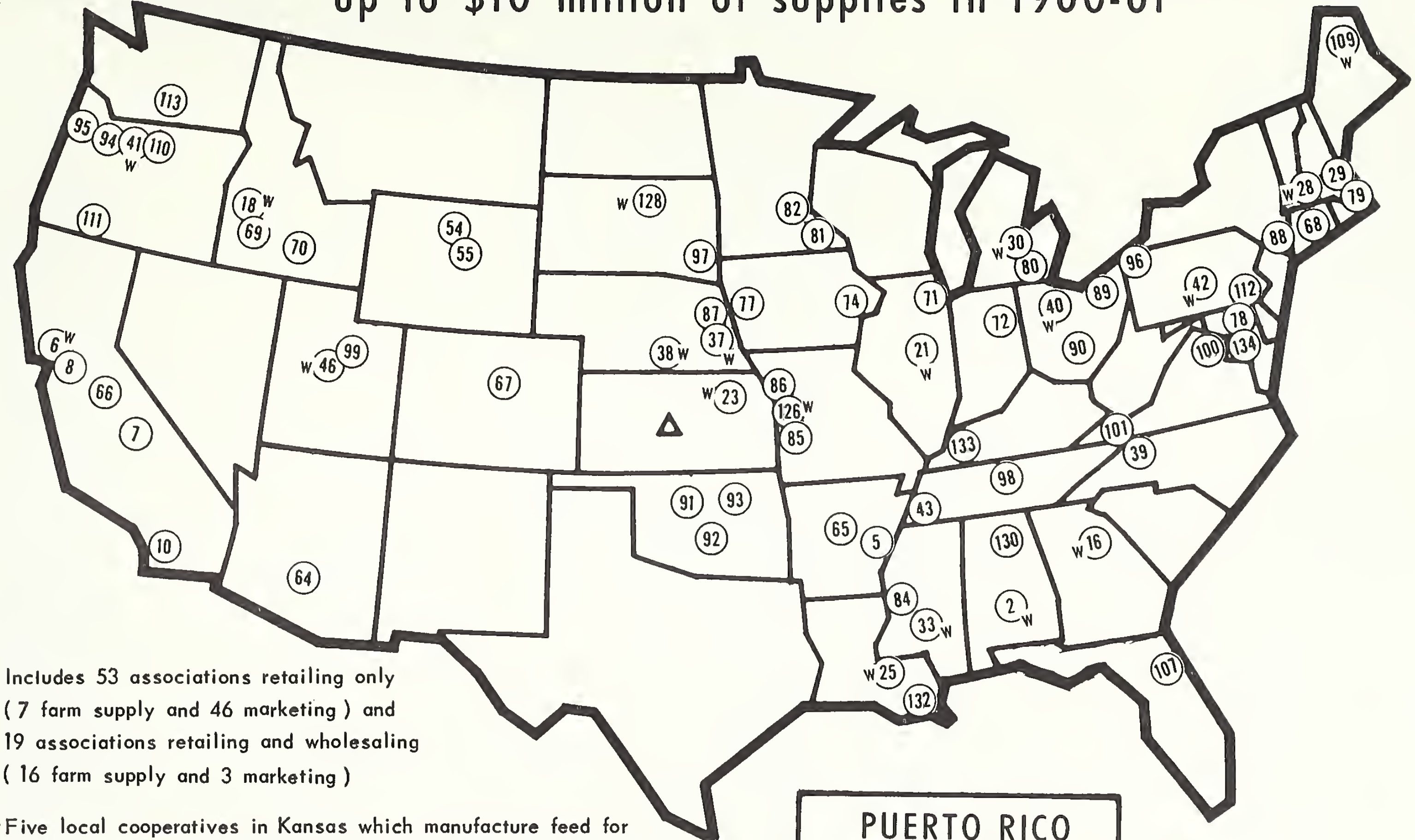
O – Location of cooperatives wholesaling only.

O_R – Location of cooperatives wholesaling and retailing.

* Includes 58 associations wholesaling only (28 farm supply and 30 marketing) and 24 associations wholesaling and retailing (16 farm supply and 8 marketing).

o Includes locals in Kansas which manufacture feed for a regional cooperative Otherwise they market grain and retail supplies on a local basis.

Fig. 5 Location of regional cooperatives retailing from $100,000 up to $10 million of supplies in 1960-61*



* Includes 53 associations retailing only
(7 farm supply and 46 marketing) and
19 associations retailing and wholesaling
(16 farm supply and 3 marketing)

△ Five local cooperatives in Kansas which manufacture feed for a regional cooperative were excluded. They retailed supplies on a local basis.

LEGEND:

O – Location of cooperatives retailing only.

O_W – Location of cooperatives retailing and wholesailing.

Few associations served more than one State and the percentage of business conducted in more than one State was small.

In 1950-51, a total of 118 regional cooperatives in the United States each handled from $100,000 up to $5 million of supplies--the size classification used for the first study of this type. These consisted of 55 farm supply associations and 63 marketing associations. Between 1950-51 and 1960-61, 42 regionals no longer could be classified as doing between $100,000 and $10 million of supply business (table 3). Twenty were supply and 22 were marketing associations. Twenty of the 42 associations went out of business--the main reason for this reduction. Thus 76 regionals were in both the 1950-51 and 1960-61 studies.

Table 3. --Reasons for changes in number of regional cooperatives handling farm supplies that were included in studies for 1950-51 and 1960-61 [1]

Reasons for changes	Number of associations, by type		
	Farm supply	Marketing	Total
Total cooperatives in 1950-51	55	63	118
Reasons for reduction in 1960-61:			
1. Volume increased above the $10 million maximum used in 1960-61	3	1	4
2. Volume less than $100, 000 minimum used in 1950-51	1	4	5
3. Classification changed from farm supply to marketing cooperative, or vice versa	--	1	1
4. Classification changed from regional to local	--	3	3
5. Merged with another regional	5	1	6
6. Discontinued operations	11	9	20
7. Reported handling no supplies in 1960-61	--	3	3
Total decrease	20	22	42
Remainder--same cooperatives as in 1950-51 [2]	35	41	76
Reasons for increase in 1960-61:			
1. Organized since 1950-51	2	4	6
2. Volume increased above minimum of $100, 000 used in 1950-51	--	12	12
3. Volume above maximum of $5 million used in 1950-51	5	--	5
4. Classification changed from marketing to farm supply association, or vice versa	4	--	4
5. Classification changed from local or subsidiary to regional	4	4	8
6. Not on survey list in 1950-51	1	2	3
7. Reported handling no supplies in 1950-51	--	21	21
Total increase	16	43	59
Total cooperatives in 1960-61	51	84	135

[1] Associations with total farm supply volumes of $100, 000 to under $5 million were included in the 1950-51 study. Those with $100, 000 to under $10 million of sales were included in the 1960-61 study.

[2] These are called "identical" associations in this report.

During the same period, however, 59 other associations were added to this group of regionals--16 supply associations and 43 marketing associations (table 3). The principal reason for this increase was the fact that the supply volume of 33 marketing regionals went above $100,000 in 1960-61. Twenty-one of these were associations that did not even handle supplies in 1950-51.

Types and Sizes

As mentioned, 51 of the regionals in this study in 1960-61 were classified as farm supply cooperatives because more than one-half of their total sales were supplies. In fact, supplies constituted all of the sales of 38 of this group.

Another 84 regionals were classified as marketing associations because their farm products sales exceeded supply sales. Thus, farm supplies sometimes were called sidelines of these associations. Dairy cooperatives were the principal marketing associations handling farm production supplies, accounting for almost one-half of the number. Grain and fruit and vegetable associations were next in number reporting supplies (table 4).

The regional associations also were classified as to type of supply services provided--namely, wholesale, retail, or both. Of the 135 regionals, 58 handled supplies on a wholesale basis only; 53 handled them on a retail basis only; and 24 did both a wholesale and retail business (see table 5).

Thus, adding the last group to each of the other two gave a total of 82 that performed wholesale operations and 77, retail operations. However, five local grain cooperatives in Kansas manufactured feed for a regional association but retailed supplies on a local basis so were not included as retailing regionals (figures 4 and 5).

Of the 51 supply regionals, 28 wholesaled only, 7 retailed only, and 16 did both. Of the 84 marketing associations, 30 wholesaled only, 46 retailed only, and 8 did both.

Table 4.--Regional marketing cooperatives handling from $100,000 up to $10 million of supplies, classified by main type of farm products marketed[1], 1960-61

Classification based on main type of product marketed	Cooperatives reporting	Percent of total marketing cooperatives
Cotton	8	9
Dairy	40	48
Dry bean	4	5
Fruit and vegetable	11	13
Grain[2]	15	18
Poultry	2	2
Sugar products	1	1
Tobacco	3	4
Total	84	100

[1] Based on farm product that is predominant in each association's business volume.
[2] Includes soybean processing associations.

Table 5.--Types of farm supply operations provided by 135 regional cooperatives handling from $ 100,000 up to $ 10 million of supplies in 1960-61

Type of supply operation	Number of associations, by type		
	Farm supply	Marketing	Total
Wholesale only	28	30	58
Retail only	7	46	53
Wholesale and retail	16	8	24
Total	51	84	135

Supplies may be sold at wholesale to local cooperatives, private dealer-agents, farmer order-takers or representatives, or to individual farmers purchasing in large or wholesale quantities. In some cases, however, supplies may be sold at prices somewhere between wholesale and retail where orders are pooled through local representatives and farmers take these supplies directly from the railroad cars or in truckload deliveries from the plant or mill.

A wide variation existed in the size of the total supply business of the regionals (table 6). Fifty-six percent handled between $100,000 and $1 million of supplies in 1960-61. About three-fourths of the marketing and one-fourth of the farm supply associations fell in this

Table 6.--Total supply sales of 135 regional cooperatives handling from $ 100,000 up to $ 10 million of supplies in 1960-61, classified into size and type groups

Size of association's supply of business	Number and percent of associations, by type					
	Farm supply		Marketing		Total	
	Number reporting	Percent of total	Number reporting	Percent of total	Number reporting	Percent of total
$ 100,000 - $ 999,999	14	27	62	74	76	56
1,000,000 - 1,999,999	8	16	12	14	20	15
2,000,000 - 2,999,999	6	12	5	6	11	8
3,000,000 - 3,999,999	10	19	3	4	13	10
4,000,000 - 4,999,999	2	4	2	2	4	3
5,000,000 - 5,999,999	3	6	--	--	3	2
6,000,000 - 6,999,999	4	8	--	--	4	3
7,000,000 - 7,999,999	--	--	--	--	--	--
8,000,000 - 8,999,999	--	--	--	--	--	--
9,000,000 - 9,999,999	4	8	--	--	4	3
Total	51	100	84	100	135	100

size group. About 15 percent of each group handled between $1 million and $2 million of supplies.

None of the marketing associations handled over $5 million of supplies while 22 percent of the farm supply regionals were in this classification. No regionals of either type had a supply business of $7 million up to $9 million in 1960-61, but four farm supply associations were in the $9 million up to $10 million group.

Members and Patrons

This section of the report discusses number of members and patrons, proportion of members that were producers, member business, voting, and provision for dividends on capital stock.

Members

The 135 regional cooperatives had 220,996 individuals and 4,090 associations as members in 1960-61 (table 7). Of the individuals, 97,330 were members of the farm supply regionals and 123,666 were members of the marketing regionals. Of the member associations 2,469 were affiliated with the supply regionals and 1,621 with the marketing regionals.

The number of members for the regionals that were wholesaling, retailing, and both wholesaling and retailing also are shown in table 7.

Table 7.--Members and patrons of 135 regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61

Type of association and supply operation	Number of associations reporting	Number of members		Number of patrons	
		Individuals	Associations	Individuals	Associations
Farm supply					
Wholesale only	28	7,796	1,420	6,351	1,351
Retail only	7	30,561	41	33,031	32
Combination wholesale and retail	16	58,973	1,008	109,340	1,054
Total	51	97,330	2,469	148,722	2,437
Marketing					
Wholesale only	30	10,348	1,335	13,090	1,517
Retail only	46	97,557	41	95,393	176
Combination wholesale and retail	8	15,761	245	25,732	220
Total	84	123,666	1,621	134,215	1,913
Combined					
Wholesale only	58	18,144	2,755	19,441	2,868
Retail only	53	128,118	82	128,424	208
Combination wholesale and retail	24	74,734	1,253	135,072	1,274
Total	135	220,996	4,090	282,937	4,350

Of the 51 farm supply regionals, the 28 that were wholesaling only had an average of 51 member cooperatives, with the range from 2 to 112. The 7 retail cooperatives had an average of 4,366 individual members, with the range from 1,064 to 20,041. The 16 that were both wholesaling and retailing had an average of 63 locals, with the range from 1 to 147.

The 30 marketing cooperatives whose supply operations were wholesale only had an average of 44 locals, with the range from 2 to 220. The 46 retailing only had an average of 2,121 individual members, with the range from 29 to 17,390. The 8 both wholesaling and retailing had an average of 31 member associations, with the range from 1 to 216.

Ninety percent or more of the member associations were agricultural cooperatives in 42 of 44 farm supply regionals that reported on this aspect of their membership, and all of the 27 marketing regionals that reported indicated this same percentage.

Thirteen of 26 farm supply regionals reported that 90 percent or more of their individual members were agricultural producers. Thirty-three of 45 marketing regionals indicated the same percentage for their individual members.

Patrons

The 135 regionals had about 283,000 individuals and 4,350 associations as patrons in 1960-61 (table 7). The farm supply associations had the largest proportion of both types of patrons.

Table 7 indicates that some regionals reporting only wholesale supply sales had individual farmers, as well as local cooperatives, as members and patrons. These individuals may have used only the marketing services of the regional. In a few instances, they may have been patrons of private dealer-agents who handled supplies on a wholesale basis from the regionals and received patronage refunds directly from them. In some cases, the individual patrons were large farm operators who bought fertilizer or other supplies in carloads from the regionals.

Table 7 also indicates that some regionals reporting only retail supply sales had local cooperatives as well as individuals as members and patrons. These locals may have become members to help form the regional or even patronized it in earlier years. If the locals were patrons, however, some wholesale sales to them should have been reported unless only small amounts were sold at retail on an accommodation basis when the locals ran out of a supply item.

Member Business

Of the 51 farm supply regionals, 37 or almost 73 percent, reported 90 percent or more of their supply business was with members in 1960-61 (table 8). Only 40 of the 84 marketing regionals reported such information, and 19 or about half of those reporting, indicated that 90 percent or more of their supply business was with members. Most of this group reported 100 percent of their marketing volume with members in 1960-61.

Voting

The bylaws of 41 of the 51 farm supply regionals provided for voting on the basis of one-member, one-vote (table 9). Seventy-one of the 84 marketing regionals also operated on this voting basis. Of the 23 regionals not using this basis out of the 135 regionals, 13 permitted one vote for each share of capital stock carrying voting privileges; 8 permitted voting on the basis of volume or revolving capital fund equities; one provided for voting in proportion to number of members; and one provided for voting according to number of gins operated by its local member associations.

Table 8.--Proportion of supply business done with members in 91 regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61[1]

Percent of supply business with members	Number of associations, by type		
	Farm supply	Marketing	Total
Under 50	--	2	2
50 to 59	1	3	4
60 to 69	3	3	6
70 to 79	5	5	10
80 to 89	5	8	13
90 to 99	14	8	22
100	23	11	34
Total	51	40	91

[1]Forty-four of the 84 marketing regionals did not report on the percentage of their supply business done with members.

Table 9.--Voting methods used in 135 regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61

Method of voting	Number of associations, by type	
	Farm supply	Marketing
One-member, one-vote	41	71
One vote per share of capital stock	5	6
One vote per share of stock with voting power limited to 15 percent of common stock held	--	1
One vote per share of Class A stock and 1/3 vote per share of Class B stock	1	--
Voting based on volume or tonnage supplied by patrons	--	4
One vote for each member plus 1 vote for each $1, 000 of business, with a maximum of 10 votes per member	2	--
One vote per member plus added votes based on revolving fund holdings	--	1
One vote per member plus one vote for each $100 in revolving fund credits, with a maximum of 11 votes per member	1	--
One vote for each share of stock representing 25 members in a local cooperative	1	--
One vote plus 1/2 vote for each gin unit operated	--	1
Total	51	84

Dividends on Capital Stock or Member Capital

Thirty-six farm supply and 48 marketing regionals limited in their bylaws the rate of dividends on their capital stock or member capital (table 10). The largest proportion in each group limited the rate to 8 percent a year. The next most frequent rate was 6 percent by the farm supply and 4 percent by the marketing regionals. In most associations, the board of directors probably could declare a lesser rate, but information was not available on the rates actually paid in 1960-61.

Twelve farm supply and 31 marketing regionals had no limitations in their bylaws on annual rates for dividends. And three in the former group and five in the latter indicated they had no capital stock on which a dividend could be declared.

Types and Volumes of Supplies Handled

The combined value of supplies handled by these 135 regional cooperatives in 1960-61 amounted to almost $232 million (table 11).

Feed was the most important supply item handled by these regionals and amounted to $71 million (figure 6). It accounted for 31 percent of their supply sales. Petroleum products were second in importance with a

Table 10.--Dividend provisions in bylaws for capital stock or membership capital of 135 regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61

Limitation on annual percent of dividend	Number of cooperatives, by type	
	Farm supply	Marketing
20	1	--
8	14	12
7	2	--
6	7	10
5	4	7
4	2	11
3	1	1
2	1	--
1	--	1
0	2	5
Statutory	2	--
By directors	--	1
Total	36	48
Dividends not limited	12	31
Not applicable--no capital stock	3	5
Total	51	84

Table 11. --Volume of retail and wholesale supply business, by principal supply items, of 135 regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61

Type of association and supply item	Number of associations reporting	Total sales	Sales at - Retail	Sales at - Wholesale
Farm supply				
Building materials	17	$3,041,188	$478,931	$2,562,257
Containers and packaging supplies	13	9,041,596	286,712	8,754,884
Farm chemicals	29	6,191,480	1,093,915	5,097,565
Farm machinery and equipment	17	3,053,550	1,201,892	1,851,658
Feed	25	42,874,896	29,890,228	12,984,668
Fertilizer	34	30,824,975	5,199,908	25,625,067
Petroleum products	21	35,969,700	2,714,722	33,254,978
Seed	26	10,687,914	5,144,361	5,543,553
Miscellaneous supplies	30	16,204,512	2,247,383	13,957,129
Total - all items	[1] 51	157,889,811	48,258,052	109,631,759
Marketing				
Building materials	6	636,370	196,914	439,456
Containers and packaging supplies	24	14,003,958	2,978,589	11,025,369
Farm chemicals	20	3,659,212	1,105,744	2,553,468
Farm machinery and equipment	33	7,327,889	6,158,671	1,169,218
Feed	39	28,282,970	11,002,618	17,280,352
Fertilizer	32	6,053,370	2,789,998	3,263,372
Petroleum products	11	3,080,069	3,077,222	2,847
Seed	20	1,942,307	779,706	1,162,601
Miscellaneous supplies	56	9,088,961	5,454,973	3,633,988
Total - all items	[1] 84	74,075,106	33,544,435	40,530,671
Combined				
Building materials	23	3,677,558	675,845	3,001,713
Containers and packaging supplies	37	23,045,554	3,265,301	19,780,253
Farm chemicals	49	9,850,692	2,199,659	7,651,033
Farm machinery and equipment	50	10,381,439	7,360,563	3,020,876
Feed	64	71,157,866	40,892,846	30,265,020
Fertilizer	66	36,878,345	7,989,906	28,888,439
Petroleum products	32	39,049,769	5,791,944	33,257,825
Seed	46	12,630,221	5,924,067	6,706,154
Miscellaneous supplies	86	25,293,473	7,702,356	17,591,117
Total - all items	[1] 135	231,964,917	81,802,487	150,162,430

[1] Duplication eliminated.

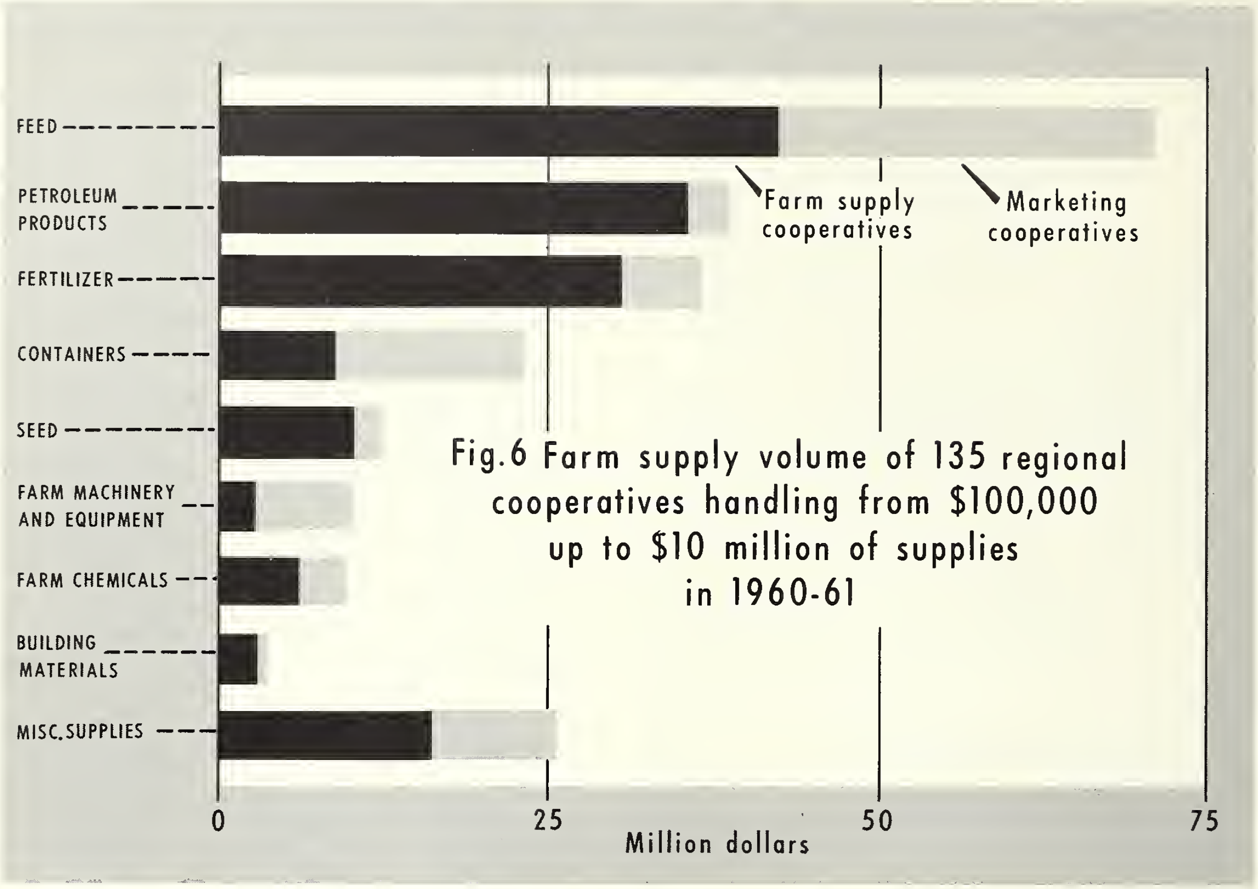


Fig. 6 Farm supply volume of 135 regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61

total value of more than $39 million, representing 17 percent of the total. Fertilizer was a close third with almost $37 million, accounting for 16 percent of all supply sales of these 135 regionals.

The wholesale value of supplies handled by the 135 regionals amounted to $150 million and represented 65 percent of their total supply volume.

The proportion of the total that was sold at wholesale varied substantially for the two types of regionals. The wholesale volume of the 51 farm supply regionals, amounting to $110 million, accounted for 69 percent of their supply sales, while the $41 million sales at wholesale of the 84 marketing regionals comprised 55 percent of their supply volume.

Of the total sales at wholesale of both farm supply and marketing regionals, $124 million, or 83 percent, represented sales to other cooperatives. Sales to dealer agents, order takers, and large individual producers, amounting to almost $19 million, accounted for 13 percent, and sales of $7 million to other firms comprised the remaining 5 percent of this wholesale volume.

Sales to dealer agents, order takers, and producers were particularly significant in the distribution of fertilizer where more than 36 percent of the total wholesale volume was distributed through these outlets. Such sales were also important for farm chemicals and farm machinery and equipment where they accounted for 26 percent and 22 percent, respectively, of total sales at wholesale. For

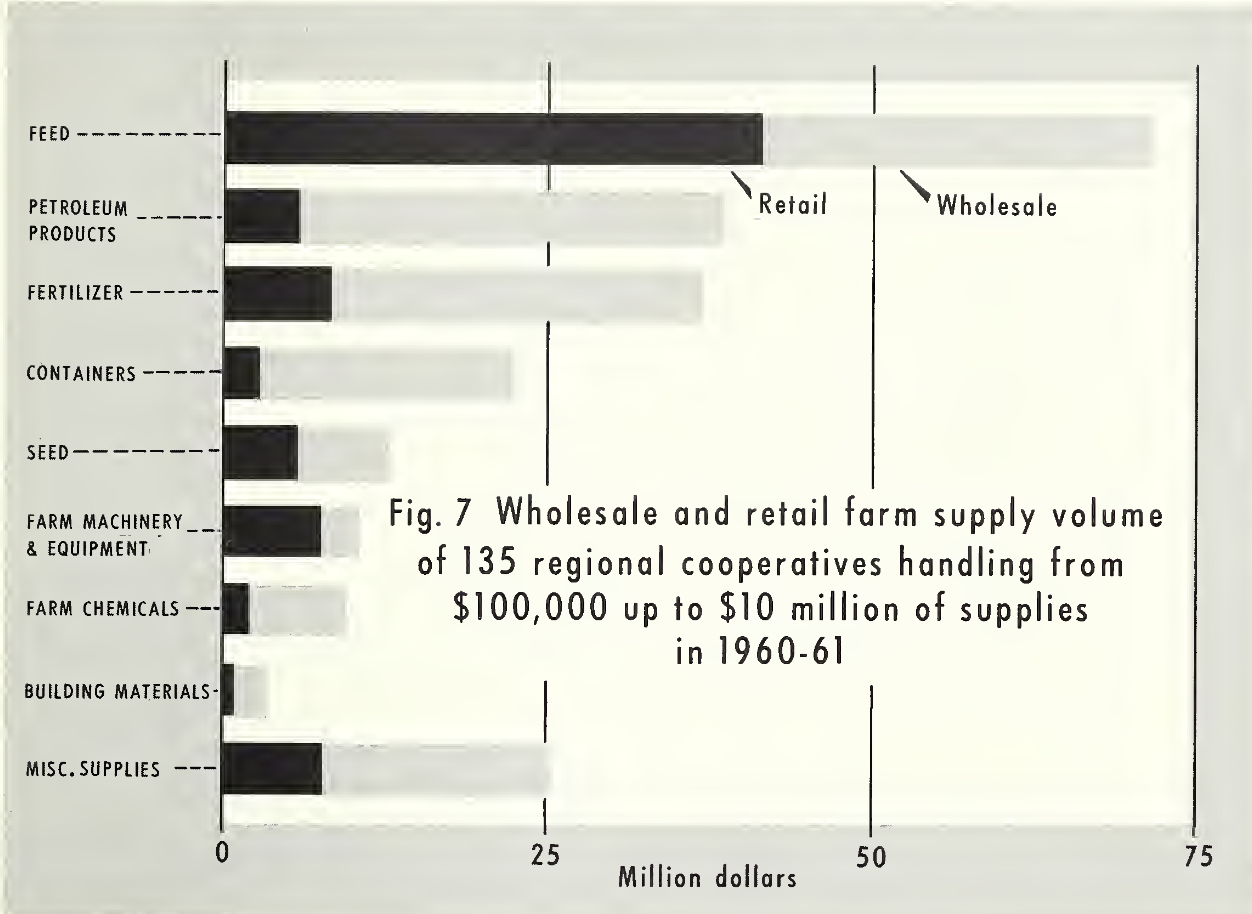


Fig. 7 Wholesale and retail farm supply volume of 135 regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61

all other supply items, these outlets handled less than 8 percent of the wholesale volume. Sales to other firms were most important for fertilizer, petroleum products, and building materials where they accounted for between 7 and 9 percent of the wholesale volume of each of these supply items.

Table 11 indicates that sales at retail were predominant in the distribution of farm machinery and equipment and feed. Retail sales of farm machinery and equipment represented 71 percent of the total sales of this supply item, while retail sales of feed accounted for 58 percent of the total (figure 7).

Wholesale business was predominant in containers, building materials, farm chemicals, fertilizer, petroleum, and miscellaneous supplies. In most cases, 75 percent or more of total sales of these commodities were distributed at wholesale.

Table 12 shows the supply business of these 135 regional cooperatives by type of operation.

The volume of cooperatives performing wholesale operations only accounted for more than $117 million, or 51 percent of the total supply sales.

Cooperatives performing retail operations only reported a volume of almost $45 million, or 19 percent of the total.

The volume of cooperatives performing a combination of wholesale and retail business

Table 12. --Volume of retail and wholesale supply business of 135 regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61

Type of cooperative and supply operation	Total sales		Type of sale			
			Retail		Wholesale	
	Amount	Percent	Amount	Percent	Amount	Percent
Farm supply						
Wholesale only	$ 78, 988, 656	50	--	--	$ 78, 988, 656	72
Retail only	20, 712, 887	13	$ 20, 712, 887	43	--	--
Combination of wholesale and retail	58, 188, 268	37	27, 545, 165	57	30, 643, 103	28
Total	157, 889, 811	100	48, 258, 052	100	109, 631, 759	100
Marketing						
Wholesale only	38, 292, 259	52	--	--	38, 292, 259	94
Retail only	24, 059, 289	32	24, 059, 289	72	--	--
Combination of wholesale and retail	11, 723, 558	16	9, 485, 146	28	2, 238, 412	6
Total	74, 075, 106	100	33, 544, 435	100	40, 530, 671	100
Combined						
Wholesale only	117, 280, 915	51	--	--	117, 280, 915	78
Retail only	44, 772, 176	19	44, 772, 176	55	--	--
Combination of wholesale and retail	69, 911, 826	30	37, 030, 311	45	32, 881, 515	22
Total	231, 964, 917	100	81, 802, 487	100	150, 162, 430	100

amounted to almost $70 million, accounting for the remaining 30 percent of total sales.

The 51 farm supply regionals accounted for almost $158 million, or 68 percent, of the total sales of supplies made by the 135 regionals.

Sales by the associations that performed only wholesale operations represented 50 percent of the total supply sales of these farm supply regionals; those associations operating at retail only had sales accounting for 13 percent, and those associations that performed both wholesale and retail operations accounted for the remaining 37 percent.

Supply sales of the 84 marketing regionals amounted to more than $74 million, representing 32 percent of total supply sales by the 135 regionals. The associations that wholesaled only accounted for 52 percent of this supply volume; those performing retail operations accounted for 32 percent; and those that performed both wholesale and retail operations accounted for the remaining 16 percent of supply sales by the 84 marketing regionals.

Marketing regionals handled a total of $74 million of farm supplies (table 13).

Three types of such regionals--dairy, fruit and vegetable, and grain--accounted for 84 percent of the supply sales of marketing regionals. Grain associations accounted for 33 percent of the total, dairy associations for 31 percent, and fruit and vegetable associations for 20 percent of the total.

The 84 marketing regionals sold about $34 million of supplies at retail and $40 million at wholesale in 1960-61. Wide variations existed among the marketing associations.

Table 13.--Volume of wholesale and retail supply business of 84 regional marketing associations handling from $100,000 up to $10 million of supplies in 1960-61 by type of marketing association

Type of marketing association	Total supply sales		Type of supply sale			
			Retail		Wholesale	
	Amount	Percent	Amount	Percent	Amount	Percent
Cotton	$4,830,222	6	--	--	$4,830,222	12
Dairy	22,702,857	31	$16,562,895	49	6,139,962	15
Dry bean	1,732,032	2	876,627	3	855,405	2
Fruit and vegetable	14,437,816	20	6,142,487	18	8,295,329	21
Grain	24,290,161	33	6,386,332	19	17,903,829	44
Poultry	3,305,924	4	800,000	2	2,505,924	6
Sugar products	198,000	(1)	198,000	1	--	--
Tobacco	2,578,094	4	2,578,094	8	--	--
Total	74,075,106	100	33,544,435	100	40,530,671	100

[1]Less than 0.5 percent.

For example, all supplies of cotton associations and almost three-fourths of supplies sold by grain associations were at wholesale, while almost three-fourths of the supplies of dairy cooperatives were sold at retail.

Combinations of Farm Supplies Handled

Table 14 indicates that there was a wide variation in the numbers and types of major production supplies handled by these small regional cooperatives in 1960-61. Some associations confined their supply operations to handling only one major group or category, while others handled as many as five of the major groups of supplies. More than 26 percent, for example, handled only miscellaneous supplies; 11 percent handled fertilizer and miscellaneous supplies and about 6 percent handled feed and miscellaneous supplies; and 10 percent handled only feed, seed, or fertilizer.

More than 10 percent handled the five-commodity combination of feed, seed, fertilizer, petroleum, and miscellaneous supplies; and about 13 percent reported four items--feed, seed, fertilizer, and miscellaneous supplies. No other combination of the remaining 15 reported was handled by more than 3 percent of the total number of associations.

Table 14 shows differences between farm supply and marketing associations handling supplies. Of the 84 marketing associations, almost 36 percent reported handling miscellaneous supplies only, while only 12 percent of the farm supply associations limited their operations to this group of supplies. Only 5 percent of the marketing associations handled a combination of five major supply items compared with almost 20 percent of the farm supply associations.

On the basis of feed, seed, fertilizer, petroleum, and miscellaneous supplies, a total of 31 combinations were possible. The regional cooperatives in this study reported 23 combinations of supplies handled as indicated in table 14. The eight not reported were: (1) Feed, seed, fertilizer, and petroleum; (2) feed, seed, and petroleum; (3) feed and petroleum; (4) seed and fertilizer; (5) seed, fertilizer, and petroleum; (6) seed, petroleum, and miscellaneous; (7) fertilizer and petroleum; and (8) petroleum only.

Farm Products Marketed

About one-fourth of the farm supply regionals also marketed farm products for their members. Sales of these products totaled about $29 million in 1960-61 (table 15). This volume was equal to 18 percent of their total supply business. The principal commodity group marketed was poultry and eggs with nine associations having sales of such products amounting to almost $23 million.

The 84 marketing regionals had a marketing business of over $1.4 billion in 1960-61 (table 15). This was 19 times the volume of farm supplies they handled. Forty associations had dairy product sales totaling $943 million and 20 regionals had grain sales of $193 million. No livestock, wool and mohair, or nut marketing regionals reported farm supply sales between $100,000 and $10 million in 1960-61.

Services Provided

Sixteen of the 51 farm supply regionals reported receipts from services totaling almost $2 million in 1960-61 (table 16). The principal item was trucking or hauling, which totaled more than $1 million.

Thirty-four of the 84 marketing regionals reported service receipts totaling $15 million in 1960-61. Storage was the main item, with 23 indicating total receipts of about $7 million. Packing revenue of $4 million by five associations was next in amount.

Table 14.--Combinations of supplies handled by 135 regional cooperatives handling from $100,000 up to $10 million of supplies, 1960-61

Combinations of major supplies handled	Number and percent of associations, by type					
	Farm supply		Marketing		Total	
	Number reporting	Percent of total	Number reporting	Percent of total	Number reporting	Percent of total
Feed only	2	3.9	7	8.3	9	6.7
Fertilizer only	2	3.9	--	--	2	1.5
Seed only	2	3.9	--	--	2	1.5
Miscellaneous only	6	11.8	30	35.7	36	26.6
Total--one item only	12	23.5	37	44.0	49	36.3
Feed and seed	--	--	1	1.2	1	0.7
Feed and fertilizer	1	2.0	--	--	1	0.7
Feed and miscellaneous	1	2.0	7	8.3	8	6.0
Fertilizer and miscellaneous	6	11.7	9	10.7	15	11.1
Petroleum and miscellaneous	3	5.8	1	1.2	4	3.0
Seed and petroleum	1	2.0	--	--	1	0.7
Seed and miscellaneous	--	--	2	2.4	2	1.5
Total--two items	12	23.5	20	23.8	32	23.7
Feed, seed, and fertilizer	--	--	1	1.2	1	0.7
Feed, fertilizer, and petroleum	--	--	1	1.2	1	0.7
Feed, fertilizer, and miscellaneous	--	--	4	4.8	4	3.0
Feed, seed, and miscellaneous	--	--	2	2.4	2	1.5
Feed, petroleum, and miscellaneous	1	2.0	2	2.4	3	2.2
Fertilizer, petroleum, and miscellaneous	3	5.9	1	1.2	4	3.0
Fertilizer, seed, and miscellaneous	1	2.0	2	2.4	3	2.2
Total--three items	5	9.9	13	15.6	18	13.3
Feed, seed, fertilizer, and miscellaneous	9	17.5	8	9.5	17	12.6
Feed, fertilizer, petroleum, and miscellaneous	1	2.0	2	2.4	3	2.3
Feed, seed, petroleum, and miscellaneous	1	2.0	--	--	1	0.7
Seed, fertilizer, petroleum, and miscellaneous	1	2.0	--	--	1	0.7
Total--four items	12	23.5	10	11.9	22	16.3
Feed, seed, fertilizer, petroleum, and miscellaneous- Total--five items	10	19.6	4	4.7	14	10.4
Total--all combinations	51	100.0	84	100.0	135	100.0

Table 15.--Farm products marketed by 98[1] regional cooperatives handling from $100,000 up to $10 million of supplies in 1960-61, by type of cooperatives

Farm products marketed	Sales of farm products, by type and number of cooperatives					
	Farm supply		Marketing[2]		Total	
	Number reporting	Amount	Number reporting	Amount	Number reporting	Amount
Dry beans	--	--	5	$6,336,842	5	$6,336,842
Cotton and products	1	$15,439	8	111,223,909	9	111,239,348
Fruits and vegetables	2	4,075,000	11	91,297,942	13	95,372,942
Grain	3	1,876,327	20	193,036,612	23	194,912,939
Dairy products	--	--	40	942,693,810	40	942,693,810
Poultry and products	9	22,821,514	5	54,942,779	14	77,764,293
Sugar products	--	--	1	1,600,000	1	1,600,000
Tobacco	1	50,000	3	7,297,388	4	7,347,388
Other	2	157,500	2	25,156	4	182,656
Total	[3] 14	28,995,780	[3]84	1,408,454,438	[3] 98	1,437,450,218

[1] Thirty-seven of the farm supply regionals reported no farm products marketed in 1960-61.
[2] No livestock, wool and mohair, and nut marketing associations were in this group of regional cooperatives in 1960-61.
[3] Total number of associations reporting excludes duplication where associations handled more than one farm product.

Financial Position

Information was available only for the total assets, investments in other cooperatives, current and fixed liabilities, and net worth or member equities of the regional cooperatives in this study. Such information on the marketing associations, however, had relatively little application to their farm supply business because most of their assets usually were used in marketing operations.

Total Assets

The 51 regional farm supply associations had assets of about $90 million in 1960-61 (table 17). The average amount of assets was about $2 million per regional, with the range from $18,200 to $5.7 million. Forty-four percent were held by the wholesale associations, 15 percent by the retail group, and 41 percent by the combination group.

Table 16.--Service receipts of 50[1] regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61, by type of receipts and cooperatives

Type of service	Service receipts, by type and number of cooperatives			
	Farm supply		Marketing	
	Number reporting	Amount	Number reporting	Amount
Commissions or marketing fees	2	$3, 685	13	$757, 843
Packing or picking	1	246, 822	5	4, 115, 244
Trucking or hauling	11	1, 176, 399	13	1, 186, 114
Ginning fees	1	12, 211	1	20, 208
Storage	1	19, 873	23	6, 658, 654
C. C. C. handling	--	--	4	144, 216
Handling and storage	--	--	2	37, 560
Loading	--	--	1	59, 389
Dehydrating or drying	--	--	3	34, 048
Grinding, weighing, mixing, and cleaning	4	(174, 749)	18	1, 089, 815
Locker plant rentals	2	145, 370	3	92, 996
Repairing, washing, greasing	--	--	6	145, 634
Processing turkeys	1	191, 800	--	--
Revenue on farm supplies	--	--	1	225, 515
Miscellaneous [2]	4	6, 533	9	575, 250
Total	[3] 16	1, 627, 944	[3] 34	15, 142, 486

[1] Eighty-five associations reported no services.
[2] Not itemized.
[3] Excludes duplication where associations reported more than one type of service.

The 84 marketing regionals had total assets of about $322 million in 1960-61 (table 17). This was an average of almost $4 million per association and the range was from $50,942 to $51.3 million. Sixty percent of the assets were in those marketing associations which only retailed supplies.

Investments in Other Cooperatives

Information on types of assets in the regionals was available only for their investments and equities in other cooperatives. Table 18 indicates that the 51 farm supply associations had over $4 million and the

Table 17.--Total assets and total liabilities and net worth of 135 regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61, by type of cooperative

Type of cooperative and supply operation	Total assets		Total liabilities and net worth			
			Current and fixed liabilities		Net worth	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
Farm supply						
Wholesale only	$39, 603, 164	44	$19, 513, 137	46	$20, 090, 027	43
Retail only	13, 069, 723	15	5, 735, 639	13	7, 334, 084	15
Combination wholesale and retail	37, 290, 007	41	17, 684, 469	41	19, 605, 538	42
Total	89, 962, 894	100	42, 933, 245	100	47, 029, 649	100
Marketing						
Wholesale only	99, 642, 297	31	37, 629, 637	22	62, 012, 660	40
Retail only	192, 783, 318	60	118, 185, 580	71	74, 597, 738	48
Combination wholesale and retail	29, 109, 869	9	11, 055, 362	7	18, 054, 507	12
Total	321, 535, 484	100	166, 870, 579	100	154, 664, 905	100

Table 18.--Investments in other cooperatives by 135 regional cooperatives handling from $100, 000 up to $10 million of supplies in 1960-61, by type of operation and cooperative[1]

Type of supply operation	Investments, by type of cooperative			
	Farm supply		Marketing	
	Amount	Percent of total	Amount	Percent of total
Wholesale only	$1, 332, 882	32	$4, 137, 138	32
Retail only	1, 397, 674	34	6, 528, 044	51
Combination wholesale and retail	1, 434, 359	34	2, 222, 490	17
Total	4, 164, 915	100	12, 887, 672	100

[1] Number of regionals reporting investments were: Farm supply 42; and marketing, 74.

marketing group had almost $13 million of such investments. Data on 53 of the 55 farm supply regionals reporting in 1950-51 showed they had almost $2 million of such investments, but only 35 were identical regionals for both years. Such data were not available for the marketing regionals.

Regional associations invest in other cooperatives such as national purchasing associations, area manufacturing cooperatives, and terminal or national sales associations that purchase or manufacture supplies or that process or sell farm products.

Current and Fixed Liabilities

The 51 farm supply regionals had a total of about $43 million of current and fixed liabilities in 1960-61 (table 17). The 84 marketing regionals had $167 million of such liabilities. These liabilities were equal to 48 percent of the assets of the farm supply regionals and to 52 percent of the assets of the marketing group. In both groups, all certificates of indebtedness or equity with maturity or due dates were included in current or fixed liabilities.

Net Worth or Members' Equity

The 51 farm supply regionals had a total net worth of $47 million in 1960-61 (table 17). This was equal to 52 percent of their total assets. Those regionals which only wholesaled supplies had the largest proportion of this net worth--43 percent.

In 1950-51, data on 53 of the 55 farm supply regionals reporting in a similar study had a total net worth of $23 million which was equal to 63 percent of all their assets that year. As mentioned, only 35 of the regionals in both years were identical associations.

The 84 marketing regionals had a total net worth of $155 million in 1960-61. This was equal to 48 percent of the total assets of the group. Such data were not available for 1950-51.

Regional Associations Operating in Both 1950-51 and 1960-61

Table 19 shows a comparison of the supply volume of 35 identical farm supply regionals operating in 1950-51 and 1960-61. Total supply sales of these 35 regionals had increased from $72 million in 1950-51 to $99 million in 1960-61, a gain of 37 percent.

Total retail supply sales of these 35 regionals increased from $27 million in 1950-51 to $35 million in 1960-61--up 28 percent. Wholesale volume increased during the same period from $45 million to more than $64 million, or 42 percent.

Table 20 gives a similar comparison of 41 identical regional marketing cooperatives operating in 1950-51 and 1960-61. Total supply sales of these 41 marketing associations increased from almost $40 million to $52 million, representing an increase of 31 percent. Wholesale volume rose from $15 million to almost $29 million, or more than 87 percent. Retail supply sales of these 41 marketing regionals, however, decreased 4 percent, dropping from $24 million in 1950-51 to $23 million in 1960-61.

A comparison of the total combined sales of supplies by the 35 farm supply regionals and the 41 marketing regionals appears in table 21. The combined total of almost $152 million in 1960-61 represents an increase

Table 19. --Comparison of retail and wholesale volumes, by principal supply items, of 35 identical regional farm supply cooperatives handling from $100, 000 up to $10 million of supplies in 1950-51 and 1960-61

Supply item	Number of associations reporting		Total sales		Sales at -			
					Retail		Wholesale	
	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61
Containers and packaging supplies	5	9	$5, 779, 741	$8, 346, 313	--	$98, 802	$5, 779, 741	$8, 247, 511
Farm machinery and equipment	6	9	1, 477, 479	1, 228, 476	999, 384	833, 619	478, 095	394, 857
Feed	15	16	22, 477, 524	28, 700, 371	16, 050, 662	22, 794, 107	6, 426, 862	5, 906, 264
Fertilizer	20	23	17, 211, 646	19, 199, 436	6, 034, 504	4, 313, 506	11, 177, 142	14, 885, 930
Petroleum products	14	13	9, 881, 944	18, 381, 503	187, 661	2, 412, 371	9, 694, 283	15, 969, 132
Seed	16	17	5, 726, 818	6, 282, 133	2, 404, 521	2, 160, 339	3, 322, 297	4, 121, 794
Miscellaneous supplies[1]	25	28	9, 957, 006	17, 247, 815	1, 794, 995	2, 659, 120	8, 162, 011	14, 588, 695
Total - all items	[2] 35	[2] 35	72, 512, 158	99, 386, 047	27, 471, 727	35, 271, 864	45, 040, 431	64, 114, 183

[1]Includes building materials and farm chemicals. [2]Duplication eliminated.

Table 20.--Comparison of retail and wholesale volumes, by principal supply items, of 41 identical regional marketing cooperatives handling from $100,000 up to $10 million of supplies in 1950-51 and 1960-61

Supply item	Number of associations reporting		Total sales		Sales at - Retail		Sales at - Wholesale	
	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61
Containers and packaging supplies	10	16	$6,376,767	$10,190,326	$2,758,656	$2,936,314	$3,618,111	$7,254,012
Farm machinery and equipment	10	13	2,424,091	3,676,053	1,490,501	3,030,469	933,590	645,584
Feed	18	20	13,095,466	20,839,119	7,122,846	9,357,878	5,972,620	11,481,241
Fertilizer	14	21	6,591,328	4,981,046	3,850,788	2,288,097	2,740,540	2,692,949
Petroleum products	8	7	1,262,106	1,984,807	1,171,343	1,981,960	90,763	2,847
Seed	12	11	946,452	1,534,993	705,703	660,283	240,749	874,710
Miscellaneous supplies[1]	28	30	9,042,054	9,018,904	7,245,585	3,127,199	1,796,469	5,891,705
Total - all items	[2] 41	[2] 41	39,738,264	52,225,248	24,345,422	23,382,200	15,392,842	28,843,048

[1]Includes building materials and farm chemicals.
[2]Duplication eliminated.

Table 21.--Comparison of retail and wholesale volumes, by principal supply items, of 76 identical regional farm supply and marketing cooperatives handling from $100,000 up to $10 million of supplies in 1950-51 and 1960-61

Supply item	Number of associations reporting		Total sales		Sales at -			
					Retail		Wholesale	
	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61	1950-51	1960-61
Containers and packaging supplies	15	25	$12,156,508	$18,536,639	$2,758,656	$3,035,116	$9,397,852	$15,501,523
Farm machinery and equipment	16	22	3,901,570	4,904,529	2,489,885	3,864,088	1,411,685	1,040,441
Feed	33	36	35,572,990	49,539,490	23,173,508	32,151,985	12,399,482	17,387,505
Fertilizer	34	44	23,802,974	24,180,482	9,885,292	6,601,603	13,917,682	17,578,879
Petroleum products	22	20	11,144,050	20,366,310	1,359,004	4,394,331	9,785,046	15,971,979
Seed	28	28	6,673,270	7,817,126	3,110,224	2,820,622	3,563,046	4,996,504
Miscellaneous supplies[1]	53	58	18,999,060	26,266,719	9,040,580	5,786,319	9,958,480	20,480,400
Total - all items	[2] 76	[2] 76	112,250,422	151,611,295	51,817,149	58,654,064	60,433,273	92,957,231

[1]Includes building materials and farm chemicals.
[2]Duplication eliminated.

of 35 percent over the comparable figure of $112 million in 1950-51. Combined retail sales increased from almost $52 million to $59 million, or 13 percent, while wholesale volume increased from $60 million to almost $93 million, or 54 percent.

Although the 76 identical regionals experienced an increase of 35 percent in total supply sales between 1950-51 and 1960-61, as shown in table 21, wide variation occurred in the increases among supply items (figure 8). Petroleum products increased almost 83 percent; containers and packaging supplies, 52 percent; feed, 39 percent; and miscellaneous supplies, 38 percent. Sales of fertilizer, however, increased less than 2 percent.

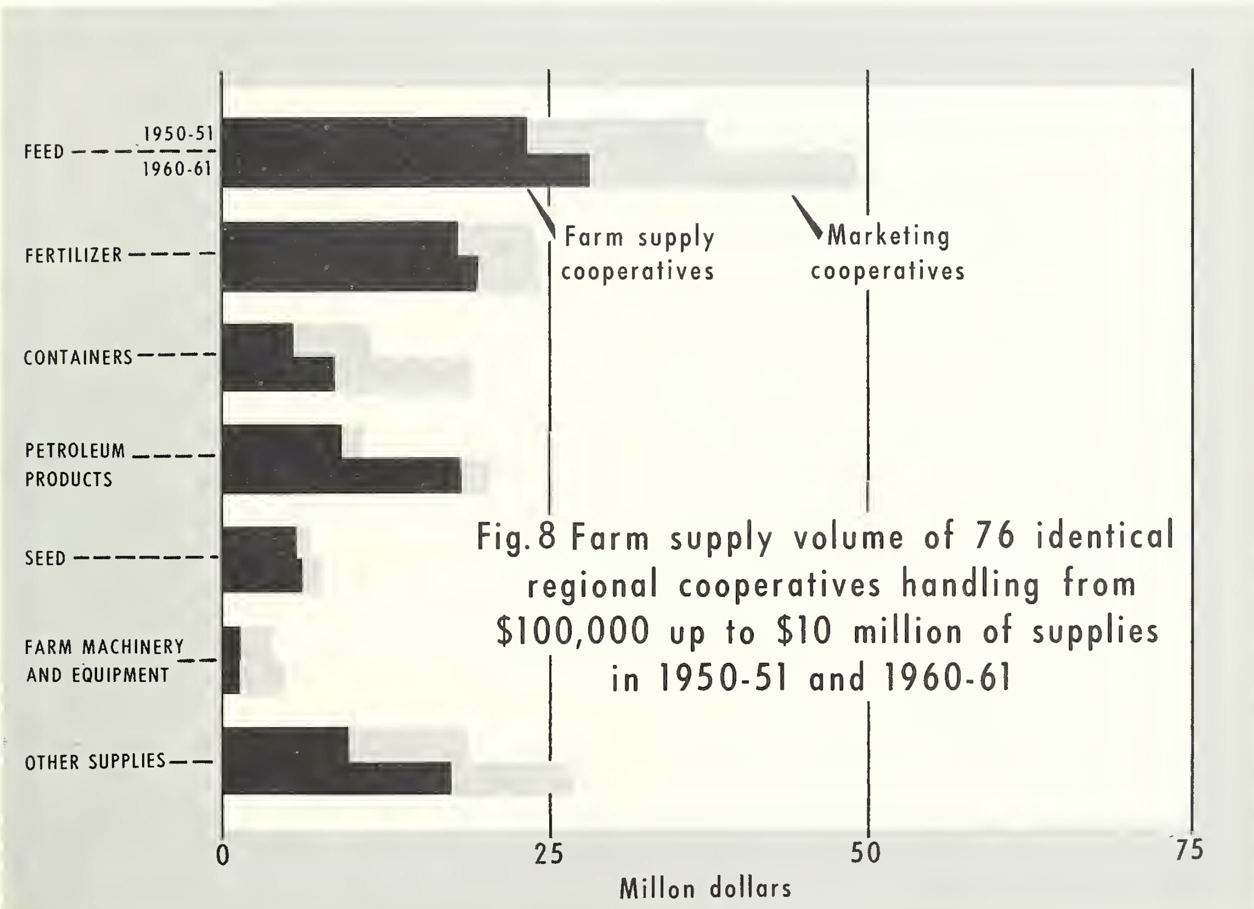


Fig. 8 Farm supply volume of 76 identical regional cooperatives handling from $100,000 up to $10 million of supplies in 1950-51 and 1960-61

The percentages sold at retail and wholesale varied significantly between 1950-51 and 1960-61 for several of the supply items as shown in figure 9. Retail sales of farm machinery and equipment, for example, increased from 64 percent to 79 percent of total sales of this commodity, and retail sales of petroleum products increased from 12 percent to 22 percent.

On the other hand, the proportion sold at wholesale increased substantially for fertilizer, seed, and miscellaneous supplies. The proportions of feed sold at wholesale and retail were almost the same in both years.

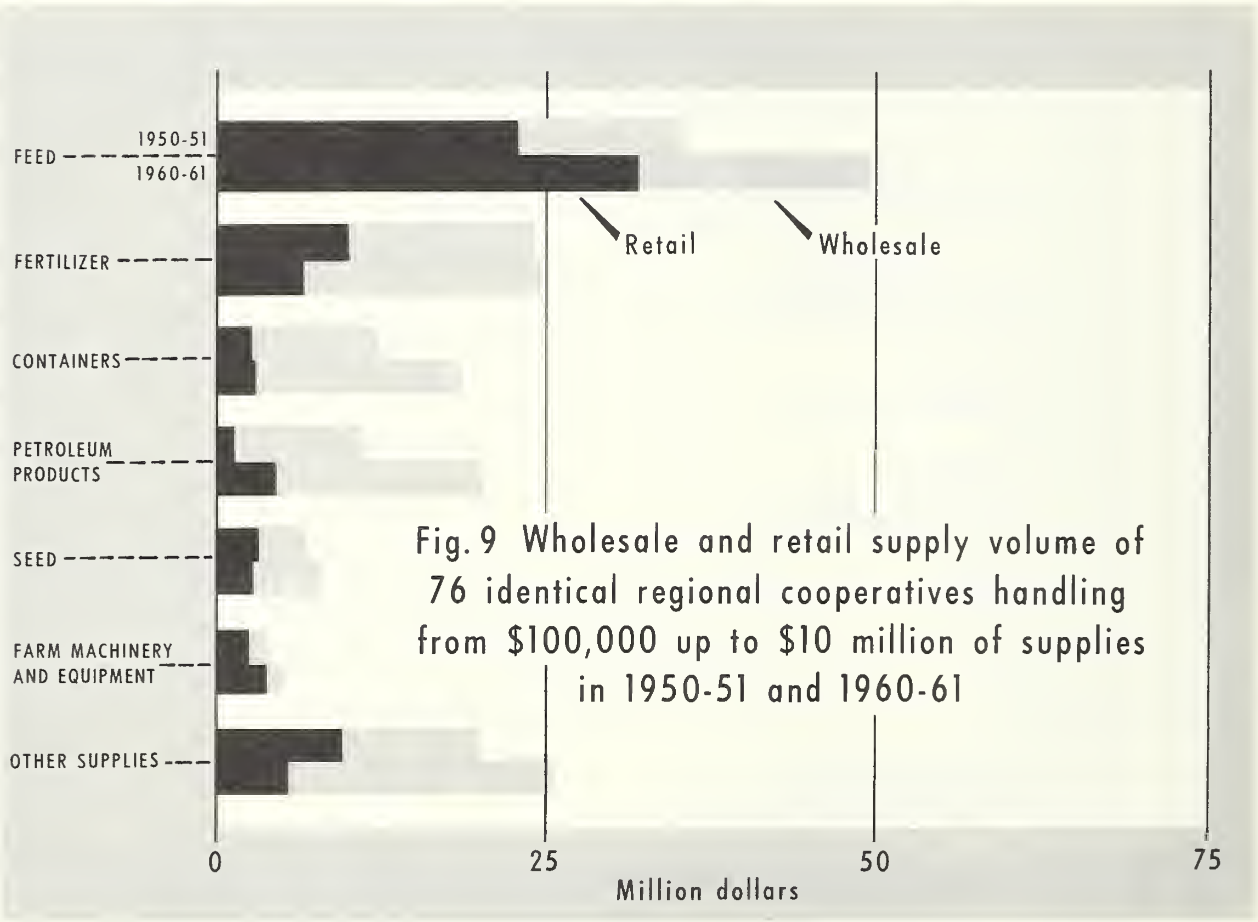


Fig. 9 Wholesale and retail supply volume of 76 identical regional cooperatives handling from $100,000 up to $10 million of supplies in 1950-51 and 1960-61

Appendix

Names and addresses of regional farmer cooperatives handling $100,000 to $10 million of farm production supplies in 1960-61, grouped according to predominant type of business (See figures 2 and 3 for locations)

Farm Supply Cooperatives

1. Alabama Farmers Cooperative, Inc., Decatur, Ala.
2. Farmers Marketing and Exchange Association, Montgomery, Ala.
3. Southwest Cooperative Wholesale, Phoenix, Ariz.
4. Southern Farmers Association, North Little Rock, Ark.
5. Delta Fertilizer Company, Helena, Ark.
6. California Farm Supply Company, Berkeley, Calif.
7. San Joaquin Valley Poultry Producers Association, Fresno, Calif.
8. Hayward Poultry Producers Association, Inc., Hayward, Calif.
9. Valley Nitrogen Producers, Inc., Helm, Calif.
10. San Diego Cooperative Poultry Association, San Diego, Calif.
11. Pinellas Growers Association, Clearwater, Fla.
12. Highland Crate Cooperative, Jacksonville, Fla.
13. Glades Brokerage Company, Pahokee, Fla.
14. Exchange Supply and Service Cooperative, Tampa, Fla.
15. Superior Fertilizer and Chemical Company, Tampa, Fla.
16. Seco Dairies, Inc., Athens, Ga.
17. Georgia Mountain Growers Association, Inc., Blue Ridge, Ga.
18. Idah-Best, Inc., Caldwell, Idaho
19. Idaho Grange Wholesale, Inc., Shoshone, Idaho
20. Illinois Farm Bureau Serum Association, Bloomington, Ill.
21. Producers' Seed Company, Piper City, Ill.
22. Cooperative Service Company, Waterloo, Iowa
23. K F U Co-op Hybrids, Inc., St. Marys, Kans.
24. Valley Counties of Kentucky Cooperative, Inc., Benton, Ky.
25. Louisiana Agricultural Cooperative, Inc., Baton Rouge, La.
26. American Rice Growers Exchange, Inc., Lake Charles, La.
27. Aroostook Federation of Farmers, Caribou, Maine
28. United Cooperative Farmers, Inc., Fitchburg, Mass.
29. Farm Bureau Association, Waltham, Mass.
30. Farmers Petroleum Cooperative, Inc., Lansing, Mich.
31. West Central Cooperatives, Inc., Benson, Minn.
32. Delta Purchasing Federation (AAL), Greenwood, Miss.
33. Magee Cooperative (AAL), Magee, Miss.
34. Farm Bureau Service Company of Missouri, Inc., Jefferson City, Mo.
35. Producers Grocery Company, Springfield, Mo.
36. Farmers Union Carriers, Scobey, Mont.
37. Farmers Union State Exchange, Omaha, Nebr.
38. Farmers Union Cooperative Association, Superior, Nebr.
39. Farmers Federation Cooperative, Asheville, N. C.
40. Ohio Farmers Grain and Supply Association, Fostoria, Ohio
41. Oregon Egg Producers, Portland, Oreg.
42. Farm Bureau Cooperative Distribution Association, Harrisburg, Pa.
43. Mid-South Supply Association, Inc., Memphis, Tenn.
44. Southern Farm Supply Association, Inc., Amarillo, Tex.
45. Texas Planting Seed Association, Bryan, Tex.

46. Intermountain Farmers Association, Salt Lake City, Utah
47. Utah Cooperative Association, Salt Lake City, Utah
48. Grange Cooperative Wholesale, Seattle, Wash.
49. Northwest Wholesale, Inc., Wenatchee, Wash.
50. Wenoka Supply Company, Wenatchee, Wash.
51. Fox Cooperative, Inc., Appleton, Wis.

Dry Bean Cooperatives

52. Bean Growers Warehouse Association, Twin Falls, Idaho
53. Inland Empire Pea Growers Association, Inc., Spokane, Wash.
54. Big Horn Cooperative Marketing Association, Basin, Wyo.
55. Wyoming Pure Seed Growers, Inc., Worland, Wyo.

Cotton Cooperatives

56. Osceola Products Company, Osceola, Ark.
57. Staple Cotton Cooperative Association, Greenwood, Miss.
58. Pecos Valley Cotton Oil, Inc., Loving, N. Mex.
59. Producers Cooperative Oil Mill, Oklahoma City, Okla.
60. Mid-West Cooperative Oil Mill, Hamlin, Tex.
61. Valley Cooperative Oil Mill, Harlingen, Tex.
62. Plains Cooperative Oil Mill, Lubbock, Tex.
63. Cen-Tex Cotton Oil Mill, Thorndale, Tex.

Dairy Cooperatives

64. United Dairymen of Arizona, Tempe, Ariz.
65. Central Arkansas Milk Producers Association, Little Rock, Ark.
66. Milk Producers Association of Central California, Inc., Modesto, Calif.
67. Denver Milk Producers, Inc., Denver, Colo.
68. Connecticut Milk Producers Association, Inc., Hartford, Conn.
69. Dairymens Cooperative Creamery of Boise Valley, Caldwell, Idaho
70. Ida Gem Dairymen, Inc., Jerome, Idaho
71. Pure Milk Association, Chicago, Ill.
72. Wayne Cooperative Milk Producers, Inc., Ft. Wayne, Ind.
73. Mid-West Producers' Creameries, Inc., South Bend, Ind.
74. Mississippi Valley Milk Producers Association, Davenport, Iowa
75. Des Moines Cooperative Dairy, Des Moines, Iowa
76. State Brand Creameries, Inc., Mason City, Iowa
77. Sioux City Milk Producers Cooperative Association, Sioux City, Iowa
78. Maryland Cooperative Milk Producers, Inc., Baltimore, Md.
79. United Farmers of New England, Inc., Charlestown, Mass.
80. Michigan Producers Dairy Company, Adrian, Mich.
81. Rochester Dairy Cooperative, Rochester, Minn.
82. Twin City Milk Producers Association, St. Paul, Minn.
83. Northern Cooperatives, Inc., Wadena, Minn.
84. Mississippi Milk Producers Association, Jackson, Miss.
85. Pure Milk Producers Association of Greater Kansas City, Inc., Kansas City, Mo.
86. St. Joseph Milk Producers Association, Inc., St. Joseph, Mo.
87. Nebraska-Iowa Non-Stock Cooperative Milk Association, Omaha, Nebr.
88. Dairymen's League Cooperative Association, Inc., New York, N. Y.
89. Milk Producers Federation of Cleveland, Cleveland, Ohio
90. Central Ohio Cooperative Milk Producers, Inc., Columbus, Ohio
91. Gold Spot Dairy, Inc., Enid, Okla.

92. Central Oklahoma Milk Producers Association, Oklahoma City, Okla.
93. Pure Milk Producers Association of Eastern Oklahoma, Tulsa, Okla.
94. Mayflower Farms, Portland, Oreg.
95. Tillamook County Creamery Association, Tillamook, Oreg.
96. Erie-Crawford Dairy Cooperative Association, Erie, Pa.
97. Sioux Valley Cooperative Milk Producers Association, Sioux Falls, S. Dak.
98. Nashville Milk Producers, Inc., Nashville, Tenn.
99. Federated Milk Producers Association, Inc., Salt Lake City, Utah
100. Maryland and Virginia Milk Producers Association, Inc., Arlington, Va.
101. Tri-State Milk Producers Association, Inc., Bristol, Va.
102. Dairy Maid Products Cooperative, Eau Claire, Wis.
103. Consolidated Badger Cooperative, Shawano, Wis.

Fruit and Vegetable Cooperatives

104. Pure Gold, Inc., Redlands, Calif.
105. California Fruit Exchange, Sacramento, Calif.
106. Colorado Potato Growers Exchange, Denver, Colo.
107. Hastings Potato Growers Association, Hastings, Fla.
108. Illinois Fruit Growers Exchange, Carbondale, Ill.
109. Maine Potato Growers, Inc., Presque Isle, Maine
110. Apple Growers Association, Hood River, Oreg.
111. Southern Oregon Sales, Inc., Medford, Oreg.
112. Mushroom Growers Cooperative Association of Pennsylvania, Kennett Square, Pa.
113. Blue Ribbon Growers, Inc., Yakima, Wash.
114. Yakima Fruit Growers Association, Yakima, Wash.

Grain Cooperatives

115. Cooperative Processing Association, Van Buren, Ark.
116. Farmers Union Marketing Association, Denver, Colo.
117. United Grain Company, Champaign, Ill.
118. Boone Valley Cooperative Processing Association, Eagle Grove, Iowa
119. North Iowa Cooperative Processing Association, Mason City, Iowa
120. Big 4 Cooperative Processing Association, Sheldon, Iowa
121. Mitchell County Farmers Union Cooperative Association, Beloit, Kans.[1]
122. Dodge City Cooperative Exchange, Dodge City, Kans.[1]
123. Producers Cooperative Association of Girard, Girard, Kans.[1]
124. Kinsley Cooperative Exchange, Kinsley, Kans.[1]
125. Pawnee County Co-op Association, Larned, Kans.[1]
126. Farmers Union Cooperative Marketing Association, Kansas City, Mo.
127. Ohio Equity, Inc., Lima, Ohio
128. South Dakota Wheat Growers Association, Aberdeen, S. Dak.
129. Producers Grain Corporation, Amarillo, Tex.

Poultry Cooperatives

130. North Alabama Poultry Cooperative, Inc., Albertville, Ala.
131. Norbest Turkey Growers Association, Salt Lake City, Utah

Sugar Products Cooperatives

132. Caldwell Sugars Cooperative, Inc., Thibodaux, La.

Tobacco Cooperatives

133. Farmers Cooperative, Inc., Madisonville, Ky.
134. Maryland Tobacco Growers Association, Baltimore, Md.
135. Puerto Rico Tobacco Marketing Cooperative Association, San Juan, P. R.

[1] Local grain marketing cooperatives that manufacture feed for Consumers Cooperative Association, but retail supplies locally.

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Other Publications Available

Handbook of Major Regional Cooperatives Handling Farm Production Supplies, 1960 and 1961, General Report 106, J. Warren Mather.

Credit Control in Selected Retail Farm Supply Cooperatives, Area VI, New York, New Jersey, Virginia, West Virginia, North Carolina, and Georgia, General Report 71, John M. Bailey.

Inventory Management by Selected Retail Farm Supply Co-ops, Area VI, New York, New Jersey, Virginia, West Virginia, North Carolina, and Georgia, General Report 70, John M. Bailey.

Methods of Financing Farmer Cooperatives, General Report 32, H. H. Hulbert, Nelda Griffin, and K. B. Gardner.

Management Training Among Farmer Cooperatives, General Report 65, David Volkin and Nelda Griffin.

Mobile Feed Milling by Cooperatives in the Northeast, General Report 99, T. R. Eichers and A. J. Hangas.

Lawn and Garden Services in Eastern Farmer Co-ops, General Report 107, John M. Bailey.

Trends in Growth of Farmer Cooperatives, 1950-60, General Report 110, Kelsey B. Gardner and Anne L. Gessner.

Employee Incentive Plans in Farmer Cooperatives, 1957. General Report 62, Nelda Griffin.

Statistics of Farmer Cooperatives, 1960-61. General Report 112, Anne L. Gessner.

Integrated Feed Operations Through Farmer Cooperatives, 1959. General Report 100, Anne L. Gessner.

Integrated Petroleum Operations Through Farmer Cooperatives, 1950 and 1957. General Report 58, Anne L. Gessner and J. Warren Mather.

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